

Doc. # 4881
4/9/87

THIRD AMENDMENT TO THE APPLICATION AND REPORT AND DECISION OF BLAKE ESTATES ASSOCIATES FOR THE AUTHORIZATION AND APPROVAL OF A PROJECT UNDER MASSACHUSETTS GENERAL LAWS (TER. ED.) CHAPTER 121A AS AMENDED, AND CHAPTER 652 OF THE ACTS OF 1960, TO BE UNDERTAKEN AND CARRIED OUT BY A LIMITED PARTNERSHIP FORMED UNDER MASSACHUSETTS GENERAL LAWS, CHAPTER 109, AND APPROVAL TO ACT AS AN URBAN REDEVELOPMENT LIMITED PARTNERSHIP UNDER SAID CHAPTER 121A.

On December 28, 1978, the Authority voted to adopt a Report and Decision on the Application of Blake Estates Associates for approval of an Urban Redevelopment Project pursuant to Massachusetts General Laws (Ter. Ed.) Chapter 121A as Amended, and Chapter 652 of the Acts of 1960. The proposal called for the construction of 175 units of housing for low income elderly and handicapped persons.

On July 31, 1986, the Applicant submitted a request to amend their project approval, by approving the "Sixth Amendment to Certificate of Limited Partnership of Blake Estates Associates." The document reflects the withdrawal of Norman B. Leventhal and Edwin N. Sidman as General Partners and the substitution of a Massachusetts corporation, as the sole General Partner of the Partnership. The change in general partners for the Partnership will enable the Partnership to reduce its general liability insurance limits to the minimum required by the Authority and thus will assist the Partnership in its efforts to maintain affordable rents. The proposed change will produce an estimated operating savings of \$10.00 to \$15.00 per unit per month during 1987.

In the opinion of the Chief General Counsel this Amendment does not represent a fundamental change and does not require a public hearing.

The Authority hereby approves the Third Amendment to the Application and Report and Decision of Blake Estates Associates for the Authorization and Approval of a Project under Massachusetts General Laws (Ter. Ed.) Chapter 121A as Amended, and Chapter 652 of the Acts of 1960, To Be Undertaken and Carried Out by a Limited Partnership Formed Under Massachusetts General Laws, Chapter 109, and Approval to Act as an Urban Redevelopment Limited Partnership Under said Chapter 121A.

An Appropriate Vote follows:

VOTED: That the document presented at this meeting entitled, "Third Amendment to the Application and Report and Decision of Blake Estates Associates for the Authorization and Approval of a Project under Massachusetts General Laws (Ter. Ed.) Chapter 121A as amended, and Chapter 652 of the Acts of 1960, to be undertaken and carried out by a Limited Partnership formed under Massachusetts General Laws, Chapter 109, and Approval to Act as an Urban Redevelopment Limited Partnership under said Chapter 121A" be and hereby is approved and adopted.

The
Beacon
Companies

One Post Office Square Boston, Massachusetts 02109 617 451-2100

July 31, 1986

Boston Redevelopment Authority
City Hall
One City Hall Square
Boston, Massachusetts 02109

Re: Contemplated Change in General Partners

Dear Sir/Madam:

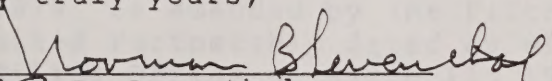
The Beacon Companies and certain of its affiliates are involved in the operation of several low income housing projects (the "Projects") with respect to which the Boston Redevelopment Authority ("BRA") has approved exemptions from tax under Chapter 121A of the Massachusetts General Laws. Each Project is owned by a separate Massachusetts limited partnership (the "Partnerships"). The name, address and Project Number of each Project are set forth on Schedule A attached hereto. Norman B. Leventhal and Edwin N. Sidman are currently the general partners (the "General Partner(s)") of each of the Partnerships. For the reasons described below, we hereby request your approval of the withdrawal of Norman B. Leventhal as General Partner and the withdrawal of Edwin N. Sidman as General Partner and the substitution of a Massachusetts corporation as the sole General Partner of each Partnership. The name of the corporation to be admitted to each Partnership is also set forth on Schedule A.

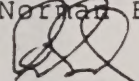
At present, each Partnership carries basic liability insurance coverage in the amount of \$1,000,000 and is also covered, along with many other affiliated partnerships, under a liability umbrella policy in a much more substantial amount which we believe necessary while Messrs. Leventhal and Sidman are serving as General Partners. We have been notified by our liability insurer that the premium on the umbrella policy will increase enormously in 1986. If the Partnerships were to retain their present coverage, the Partnerships would be forced to increase rental rates at the Projects in order to have sufficient funds to pay the increased insurance premium. If the Partnerships were permitted to substitute a corporation as their sole general partner so that recourse to the personal assets of Messrs. Leventhal and Sidman were eliminated, the Partnerships would be able to eliminate the umbrella insurance coverage and reduce their liability insurance coverage to the \$1,000,000 basic coverage, thereby reducing their annual liability insurance premiums substantially.

The proposed new corporate general partners would be Massachusetts corporations, all the capital stock of which would be owned by Mr. Sidman. In addition, Mr. Sidman would be the sole director and President of each corporation and thus would retain, through the corporations, control of the Partnerships' business and operations to the same extent as he has at the present time. The existing management company would continue to operate the Projects on a day to day business. Our ability to carry out this proposal is subject to the approval of the limited partners of the Partnerships, and we are seeking their consent at the present time.

The Partnerships are a party to various agreements with BRA including, but not limited to, Regulatory Agreements and Contracts under Massachusetts General Laws Chapter 121A, Section 6A, under which changes in general partners require the approval of BRA. If the proposed changes herein described meet with your approval, please so indicate by executing the enclosed copy of this letter in the lower left hand corner and returning it to us in the envelope provided. If you have any questions or require any further information, please feel free to contact William Stetson of Pemberton Management Company at (617-723-5600). Your expeditious review and consent would be greatly appreciated.

Very truly yours,


Norman B. Leventhal


Edwin N. Sidman

The foregoing is approved and accepted:

BOSTON REDEVELOPMENT AUTHORITY

By: _____

Date: _____

SIXTH AMENDMENT TO
CERTIFICATE OF LIMITED PARTNERSHIP
OF BLAKE ESTATES ASSOCIATES

Blake Estates Associates (the "Partnership") was formed as a limited partnership under the name of Copley Place Associates I under the laws of the Commonwealth of Massachusetts pursuant to an Agreement and Certificate of Limited Partnership dated as of September 20, 1978 and filed in the Office of the Secretary of State of the Commonwealth of Massachusetts (the "Filing Office") on September 26, 1978 (the "Agreement and Certificate") as amended by the First Amendment to Agreement and Certificate of Limited Partnership dated as of November 6, 1978 and filed in the Filing Office on November 8, 1978 pursuant to which the name of the Partnership was changed from Copley Place Associates I to Blake Estates Associates, as amended by the Second Amendment to Agreement and Certificate of Limited Partnership dated as of February 15, 1979 and filed in the Filing Office on April 23, 1979, as amended by the Third Amendment to, and Restatement of, Certificate of Limited Partnership dated as of October 1, 1979 and filed in the Filing Office on October 3, 1979, and Amended and Restated Limited Partnership Agreement dated as of October 1, 1979, as amended by the Fourth Amendment to Certificate of Limited Partnership dated as of November 15, 1979, and filed in the Filing Office on November 15, 1979, as amended by the Fifth Amendment to the Certificate of Limited Partnership dated as of January 24, 1986 and filed in the Filing Office on March 11, 1986 (the "Amendment to Certificate").

WHEREAS, Norman B. Leventhal and Edwin N. Sidman desire to withdraw as General Partners of the Partnership; and

WHEREAS, Blake Estates Corp., a Massachusetts corporation, desires to be admitted as a General Partner; and

WHEREAS, Norman B. Leventhal, Edwin N. Sidman and certain of the Original Limited Partners desire to transfer certain of their interests in the Partnership in connection with the foregoing.

NOW, THEREFORE, the undersigned, being duly sworn, do hereby agree and certify as follows:

(1) Norman B. Leventhal and Edwin N. Sidman hereby withdraw as General Partners of the Partnership.

(2) Blake Estates Corp. is hereby admitted as a General Partner to the Partnership and agrees to be bound by the terms and conditions of the Agreement and Certificate, as amended.

(3) In order to reflect the aforementioned change in General Partners and the change in interests in the Partnership of the General Partners and certain of the Original Limited Partners, Schedule A to the Agreement and Certificate, as amended, is hereby deleted in its entirety and Schedule A attached hereto is hereby substituted in its place.

(4) Article III of the Amendment to Certificate is hereby deleted in its entirety and the following is hereby substituted in its place:

"The principal office of the Partnership is c/o The Beacon Companies, One Post Office Square, Boston, Massachusetts 02109."

(5) The resident agent of the Partnership in the Commonwealth of Massachusetts for service of process is the General Partner whose name and address is set forth in Schedule A.

(6) Capitalized terms used and not otherwise defined herein shall have the respective meanings set forth in the Agreement and Certificate, as amended.

(7) Except as hereby amended, the Agreement and Certificate as previously amended, remains in full force and effect and is hereby ratified and confirmed.

WITNESS the execution hereof under seal this _____ day of _____, 198__.

SUBSTITUTE
GENERAL PARTNER

WITHDRAWING
GENERAL PARTNERS

BLAKE ESTATES CORP.

BY:

Edwin N. Sidman, President

Norman B. Leventhal

Edwin N. Sidman

ORIGINAL LIMITED PARTNERS

(Each of those Persons listed as Original Limited Partners on Schedule A)

By:

Edwin N. Sidman, Attorney-in-Fact for each of those Persons listed as Original Limited Partners on Schedule A

INVESTOR LIMITED PARTNERS

(Each of those Persons listed as Investor Limited Partners on Schedule A)

By:

Edwin N. Sidman, Attorney-in-Fact for each of those Persons listed as Investor Limited Partners on Schedule A

SPECIAL LIMITED PARTNER

BFTG Associates, Inc.

By:

Edwin N. Sidman, Attorney-in-Fact for BFTG Associates, Inc.

BLAKE ESTATES ASSOCIATES

SCHEDULE A

<u>Name</u>	<u>Address</u>	<u>Capital Contribution</u>	<u>Share of Interest Allocated to General Partners and Original Limited Partners as a Group</u>
<u>General Partner:</u>			
Blake Estates Corp.	c/o The Beacon Companies One Post Office Square Boston, MA 02109	\$200.00	20.0%
General Partner Class Contribution		<u>\$200.00</u>	<u>20.0%</u>
<u>Original Limited Partners:-</u>			
Alan M. Leventhal	One Post Office Square Boston, MA 02109	\$ 200.00	20.0%
Mark S. Leventhal	One Post Office Square Boston, Ma 02109	200.00	20.0%
Robert J. Perriello	P.O. Box 62 Hanover Street Station Boston, MA 02113	30.00	3.0%
Lawrence D. Selkovitz	One Post Office Square Boston, MA 02109	85.00	8.5%
Paula L. Sidman	One Post Office Square Boston, MA 02109	85.00	8.5%
Harvey Steinberg	One Post Office Square Boston, MA 02109	85.00	8.5%
Norman B. Leventhal	One Post Office Square Boston, MA 02109	85.00	8.5%
Lionel Fortin	One Post Office Square Boston, MA 02109	10.00	1.0%
Douglas Mitchell	One Post Office Square Boston, MA 02109	<u>20.00</u>	<u>2.0%</u>
Original Limited Partner Class Contribution		<u>\$ 885.00</u> =====	<u>80.0%</u> =====

Special Limited Partner:

<u>Name</u>	<u>Address</u>	<u>Capital Contribution</u>	<u>Units</u>
BFTG Associates, Inc.	One Post Office Square Boston, MA 02109	\$ 10.00	

Investor Limited Partners:

Harry M. Addison	952 Chesterton Way Cincinnati, OH 45230	\$ 74,467.00	1
Manjit I.S. Brar	3100 Main Vancouver, WA 98663	74,467.00	1
Kevin C. Efroymsen	2901 Ashby Avenue Las Vegas, NV 89102	37,233.50	1/2
Joseph R. Heinen	1620 Sylvaner Knoll St. Helen, CA 94575	37,233.50	1/2
Charles N. Marvin	1615 W. River Rd. North Minneapolis, MN 55411	74,467.00	1
Bob L. McEvers	16560 S. Glenwood Ct. Lake Oswego, OR 97034	74,467.00	1
Dietrich & McEvers	16560 S. Glenwood Ct. Lake Oswego, OR 97034	37,233.50	1/2
Elverta Lee Heinen	3915-4 Lander Road Chagrin Falls, OH 44022	37,233.50	1/2
Anne H.R. Moncrief	46-534 Haiku Plantation Place Kaneohe, HI 96744	74,467.00	1
Salah Rabaa, M.D.	4819 Leigh Avenue, N.W. Canton, OH 44709	74,467.00	1
A. Lachlan Reed	P.O. Box 29677 Minneapolis, MN 55429	74,467.00	1
Sheera and Albert B. Samaraweera, JTWROS	382 Hammond Street Newton, MA 02167	74,467.00	1
Frank F. Schmidt	6200 McCurdy Road Delaware, OH 43015	74,467.00	1
James E. Taylor	23226 Sheppards Road Bay Village, OH 44140	74,467.00	1

M. Azad Tayyab	1030 Eastate Drive Quincy, IL 62301	74,467.00	1
A. Stuart Hanson	4321 Fremont Avenue So. Minneapolis, MN 55409	74,467.00	1
Agnes N. Eells	4860 E. 345th Street Willoughby, OH 44094	<u>74,467.00</u>	<u>1</u>
		\$1,117,005.00	15
		=====	==

FIRST AMENDMENT TO
AMENDED AND RESTATED
LIMITED PARTNERSHIP AGREEMENT

Blake Estates Associates (the "Partnership") was formed as a limited partnership under the name of Copley Place Associates I under the laws of the Commonwealth of Massachusetts pursuant to an Agreement and Certificate of Limited Partnership dated as of September 20, 1978 and filed in the Office of the Secretary of State of the Commonwealth of Massachusetts (the "Filing Office") on September 26, 1978 (the "Agreement and Certificate") as amended by the First Amendment to Agreement and Certificate of Limited Partnership dated as of November 6, 1978 and filed in the Filing Office on November 8, 1978 pursuant to which the name of the Partnership was changed from Copley Place Associates I to Blake Estates Associates, as amended by the Second Amendment to Agreement and Certificate of Limited Partnership dated as of February 15, 1979 and filed in the Filing Office on April 23, 1979, as amended by the Third Amendment to, and Restatement of, Certificate of Limited Partnership dated as of October 1, 1979 and filed in the Filing Office on October 3, 1979, and Amended and Restated Limited Partnership Agreement dated as of October 1, 1979 (the "Amended Agreement"), as amended by the Fourth Amendment to Certificate of Limited Partnership dated as of November 15, 1979 and filed in the Filing Office on November 15, 1979, as amended by the Fifth Amendment to the Certificate of Limited Partnership dated as of January 24, 1986 and filed in the Filing Office on March 11, 1986.

WHEREAS, Norman B. Leventhal and Edwin N. Sidman desire to withdraw as General Partners of the Partnership; and

WHEREAS, Blake Estates Corp., a Massachusetts corporation, desires to be admitted as a General Partner; and

WHEREAS, Norman B. Leventhal, Edwin N. Sidman and certain of the Original Limited Partners desire to transfer certain of their interests in the Partnership in connection with the foregoing; and

WHEREAS, certain provisions of the Amended Agreement must be amended in order to effect the foregoing;

NOW, THEREFORE, the undersigned hereby agree that the Amended Agreement shall be amended as follows:

(1) Norman B. Leventhal and Edwin N. Sidman hereby withdraw as General Partners of the Partnership and the interest of Norman B. Leventhal as General Partner of the Partnership is hereby converted into that of an Original Limited Partner and shall continue to be held by Norman B. Leventhal.

(2) Blake Estates Corp. is hereby admitted as a General Partner of the Partnership and agrees to be bound by the terms and conditions of the Amended Agreement, as amended hereby.

(3) In order to reflect the aforementioned change in General Partners of the Partnership and the change in interests in the Partnership of the General Partners and certain of the Original Limited Partners, Schedule A to the Amended Agreement is hereby deleted in its entirety and Schedule A attached hereto is hereby substituted in its place.

(4) The second sentence of Section 2.2 of the Amended Agreement is hereby deleted in its entirety and the following is hereby substituted in its place:

"The principal office of the Partnership shall be c/o The Beacon Companies, One Post Office Square, Boston, Massachusetts 02109. The resident agent of the Partnership in the Commonwealth of Massachusetts for service of process is the General Partner whose name and address is set forth in the Schedule."

(5) Section 4.1 of the Amended Agreement is hereby deleted in its entirety and the following is hereby substituted in its place:

"The General Partner of the Partnership, its address and its capital contribution are as set forth in the Schedule."

(6) The first sentence of Section 4.2 of the Amended Agreement is hereby deleted in its entirety and the following is hereby substituted in its place:

"The Original Limited Partners, their addresses and capital contributions are as set forth in the Schedule."

(7) The first sentence of Section 6.1.C of the Amended Agreement is hereby deleted in its entirety and the following is hereby substituted in its place:

"Blake Estates Associates II ("Blake II"), an Affiliated Person of which Blake Estates II Corp. is the General Partner, is the owner of a parcel of land adjacent to the Land and (a) has constructed on such parcel a housing project similar to the Property and (b) such project shares common roadways, parking spaces, sidewalks and other facilities and amenities with the Partnership."

UNB-000-000 Blake 1 Amendment to Agreement

(8) Section 7.2.A.2 of the Amended Agreement is hereby deleted in its entirety and the following is hereby substituted in its place:

"Notwithstanding anything to the contrary set forth in Subsection A.1 preceding, Blake Estates Corp., a Massachusetts corporation, shall have the special right, by instrument in writing to that affect, without the consent or approval of any other Partner, to designate as a successor General Partner in its place and stead, in the event of its Retirement to serve singly or together, and in such order of succession as it may designate any one or more of the following persons: Alan M. Leventhal, Harvey Steinberg, Robert J. Perriello, Lionel Fortin, Douglas Mitchell and Lawrence D. Selkovits, there being reserved to Blake Estates Corp. the right, at any time, and from time to time, to withdraw or nullify any pending designation to the extent that it shall not have been acted upon and become effective and to substitute therefor, from among the persons above-named, a new designation of a successor General Partner or successor General Partners provided, however, that no such person shall become a successor General Partner unless at the time of the proposed admission of such person, (a) he shall have a net worth, calculated in accordance with generally accepted accounting principles, of not less than \$100,000, and that after giving effect to his admission, the aggregate net worth of the General Partners calculated as aforesaid, shall not be less than \$500,000 and (b) he shall then be employed in an executive capacity by The Beacon Companies or any successor Entity."

(9) The following language is hereby added at the end of Section 13.1 of the Amended Agreement:

"Notwithstanding anything contained in the Agreement to the contrary, in the event that a Partner appoints a General Partner as his attorney-in-fact under this Agreement for any purpose, such appointment shall be deemed to be made to each individual General Partner, each general partner from time to time of any General Partner which is a partnership, and each person holding from time to time the offices of President, Vice President or Treasurer of any General Partner which is a corporation."

(10) Capitalized terms used and not otherwise defined herein shall have the respective meanings set forth in the Amended Agreement.

(11) Except as hereby amended, the Amended Agreement remains in full force and effect and is hereby ratified and confirmed.

WITNESS THE EXECUTION hereof under seal this _____ day of _____, 198__.

SUBSTITUTE
GENERAL PARTNER

BLAKE ESTATES CORP.

BY: _____
Edwin N. Sidman, President

WITHDRAWING
GENERAL PARTNERS

Norman B. Leventhal

Edwin N. Sidman

ORIGINAL LIMITED PARTNERS

(Each of those Persons listed as Original Limited Partners on Schedule A)

By: _____
Edwin N. Sidman, Attorney-in-Fact for each of those Persons listed as Original Limited Partners on Schedule A

INVESTOR LIMITED PARTNERS

(Each of those Persons listed as Investor Limited Partners on Schedule A)

By: _____
Edwin N. Sidman, Attorney-in-Fact for each of those Persons listed as Investor Limited Partners on Schedule A

SPECIAL LIMITED PARTNER

BFTG Associates, Inc.

By: _____
Edwin N. Sidman, Attorney-in-Fact for BFTG Associates, Inc.

BLAKE ESTATES ASSOCIATES

SCHEDULE A

<u>Name</u>	<u>Address</u>	<u>Capital Contribution</u>	<u>Share of Interest Allocated to General Partners and Original Limited Partners as a Group</u>
<u>General Partner:</u>			
Blake Estates Corp.	c/o The Beacon Companies One Post Office Square Boston, MA 02109	\$200.00	20.0%
General Partner Class Contribution		<u>\$200.00</u>	<u>20.0%</u>
<u>Original Limited Partners:</u>			
Alan M. Leventhal	One Post Office Square Boston, MA 02109	\$ 200.00	20.0%
Mark S. Leventhal	One Post Office Square Boston, Ma 02109	200.00	20.0%
Robert J. Perriello	P.O. Box 62 Hanover Street Station Boston, MA 02113	30.00	3.0%
Lawrence D. Selkovitz	One Post Office Square Boston, MA 02109	85.00	8.5%
Paula L. Sidman	One Post Office Square Boston, MA 02109	85.00	8.5%
Harvey Steinberg	One Post Office Square Boston, MA 02109	85.00	8.5%
Norman B. Leventhal	One Post Office Square Boston, MA 02109	85.00	8.5%
Lionel Fortin	One Post Office Square Boston, MA 02109	10.00	1.0%
Douglas Mitchell	One Post Office Square Boston, MA 02109	<u>20.00</u>	<u>2.0%</u>
Original Limited Partner Class Contribution		\$ 885.00 =====	80.0% =====

Special Limited Partner:

<u>Name</u>	<u>Address</u>	<u>Capital Contribution</u>	<u>Units</u>
BFTG Associates, Inc.	One Post Office Square Boston, MA 02109	\$ 10.00	

Investor Limited Partners:

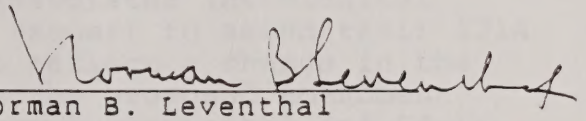
Harry M. Addison	952 Chesterton Way Cincinnati, OH 45230	\$ 74,467.00	1
Manjit I.S. Brar	3100 Main Vancouver, WA 98663	74,467.00	1
Kevin C. Efroymsen	2901 Ashby Avenue Las Vegas, NV 89102	37,233.50	1/2
Joseph R. Heinen	1620 Sylvaner Knoll St. Helen, CA 94575	37,233.50	1/2
Charles N. Marvin	1615 W. River Rd. North Minneapolis, MN 55411	74,467.00	1
Bob L. McEvers	16560 S. Glenwood Ct. Lake Oswego, OR 97034	74,467.00	1
Dietrich & McEvers	16560 S. Glenwood Ct. Lake Oswego, OR 97034	37,233.50	1/2
Elverta Lee Heinen	3915-4 Lander Road Chagrin Falls, OH 44022	37,233.50	1/2
Anne H.R. Moncrief	46-534 Haiku Plantation Place Kaneohe, HI 96744	74,467.00	1
Salah Rabaa, M.D.	4819 Leigh Avenue, N.W. Canton, OH 44709	74,467.00	1
A. Lachlan Reed	P.O. Box 29677 Minneapolis, MN 55429	74,467.00	1
Sheera and Albert B. Samaraweera, JTWROS	382 Hammond Street Newton, MA 02167	74,467.00	1
Frank F. Schmidt	6200 McCurdy Road Delaware, OH 43015	74,467.00	1

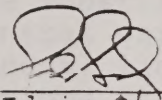
James E. Taylor	23226 Sheppards Road Bay Village, OH 44140	74,467.00	1
M. Azad Tayyab	1030 Eastate Drive Quincy, IL 62301	74,467.00	1
A. Stuart Hanson	4321 Fremont Avenue So. Minneapolis, MN 55409	74,467.00	1
Agnes N. Eells	4860 E. 345th Street Willoughby, OH 44094	<u>74,467.00</u>	<u>1</u>
		\$1,117,005.00	15
		=====	==

CERTIFICATE OF RECEIPT OF CONSENT

The undersigned Norman B. Leventhal and Edwin N. Sidman, the General Partners of Blake Estates Associates, hereby certify that each of the Limited Partners of Blake Estates Associates has executed the Consent and Power of Attorney in the form attached hereto evidencing his consent to the withdrawal of each of the undersigned as General Partners from Blake Estates Associates and the admission of Blake Estates Corp. as the sole General Partner in their place.

IN WITNESS WHEREOF the undersigned have executed this Certificate this 17 day of January, 1987.


Norman B. Leventhal


Edwin N. Sidman

MEMORANDUM

APRIL 9, 1987

TO: BOSTON REDEVELOPMENT AUTHORITY AND
STEPHEN COYLE, DIRECTOR

FROM: ROBERT F. MCNEIL, CHIEF GENERAL COUNSEL
KELLY D. KING, ASSISTANT GENERAL COUNSEL

SUBJECT: THIRD AMENDMENT TO THE 121A APPLICATION AND REPORT AND
DECISION OF BLAKE ESTATES ASSOCIATES

On July 31, 1986, Blake Estates Associates (hereinafter called the "Partnership") submitted a request to amend their 121A Application and Report and Decision to reflect a change in the general partners for the Partnership. The proposed Amendment would result in the withdrawal of Norman B. Leventhal and Edwin N. Sidman as general partners and the substitution of a Massachusetts corporation as sole general partner. The purpose of the Amendment is to reduce the general liability insurance limits to the minimum required by various state and federal agencies. The proposed substitution of a corporation as sole general partner would eliminate any recourse to the personal assets of Messrs. Leventhal and Sidman and thereby permit the Partnership to reduce its umbrella insurance from \$100,000,000 to \$5,000,000.

On March 12, 1987, the Authority considered the evidence presented at the meeting and decided to take the matter under advisement.

On March 24, 1987, Pemberton Management Company ("Pemberton") which manages Blake Estates I and II submitted additional information regarding the insurance requirements of various state and federal agencies involved in this particular project and other similar projects which Pemberton manages. The following agencies require a \$1,000,000 general liability insurance policy:

U.S. Dept. of Housing and Urban Development
Virginia Housing & Development Authority
Pennsylvania Housing & Finance Agency
New York State Division of Housing &
Community Renewal

To the extent that the general partners' net worth exceeds the aforementioned amount, all of these agencies permit increases in the general liability insurance to be charged as project expenses.

The Boston Financial Technical Group ("BFTG") a national syndicator, developer and manager, recommends a minimum liability policy of \$5,000,000. Thus, the Partnership's request to substitute a corporate general partner for Messrs. Leventhal and Sidman and to reduce its general liability policy from \$100,000,000 to \$5,000,000 is based in part on BFTG's recommendation and in part on the anticipated reduction in project expenses as a result of the reduced premiums.

The reduction in insurance premiums will generate an operating savings of \$10.00 to \$15.00 per unit per month in 1987. The reductions are not passed on directly to the residents because the project is subsidized through the U.S. Dept. of Housing and Urban Development's Section 8 Program which requires residents to pay an amount of rent based only on a percentage of their income. The reductions are however passed on indirectly through continuance of established service levels and continued maintenance, which may counter balance the effect of reduced Section 8 rent increases which fund increases in operating expenses.

During the last five to six years, Section 8 rent increases have dropped from 9.7% to 3.5 - 5.6%. A schedule of the annual adjustment factor as applied to the Blake Estates rents is attached. In terms of dollars per unit, these rent increases are \$20.00 - \$30.00 less than in earlier years.

Thus the two above-mentioned factors, reduced annual Section 8 rent increases and increased cost of liability insurance, have caused the Partnership to seek a reduction in the insurance premiums as a means of reducing operating costs without reducing maintenance and other services which protect the long-term viability of the development.

The Applicant has provided the Authority with draft amendments to The Certificate of Limited Partnership and Agreement of Limited Partnership effecting the change in general partners for Blake Estate Associates. Likewise, a certificate of Receipt of Consent of the Limited Partners for Blake Estate Associates has been provided. Furthermore, all obligations under the section 6A contract with the City of Boston have been met for Blake Estates Associates.

In the opinion of the Chief General Counsel this Amendment does not represent a fundamental change and does not require a public hearing. It is therefore recommended that the Authority adopt the attached Third Amendment to the Application and Report and Decision.

Pemberton
Management
Company

Three Center Plaza Boston, Massachusetts 02108 617 723-5600

March 24, 1987

Ms. Kelly D. King
Boston Redevelopment Authority
One City Hall Square
Boston, Massachusetts 02201

Re: Blake Estates I & II
Corporate Partner Substitution

Dear Ms. King:

As a result of the discussions at the Boston Redevelopment Authority Board Meeting on March 12, 1987, I would like to provide you with information regarding the insurance requirements of the various state and federal agencies (the United States Department of Housing and Urban Development; the Virginia Housing & Development Authority; the Pennsylvania Housing & Finance Agency; the New York State Division of Housing & Community Renewal). All of these agencies require a \$1,000,000 general liability insurance policy.

To the extent that the general partners' net worth exceeds the aforementioned amount, all agencies permit increases in the general liability insurance to be charged as project expenses.

The Boston Financial Technical Group; a national syndicator, developer and manager recommends a minimum liability policy of \$5,000,000. Our request to substitute a corporate general partner at Blake Estates Projects and reduce from \$100,000,000 to \$5,000,000 our general liability policy, is based on the agency's requirement and sound business practices.

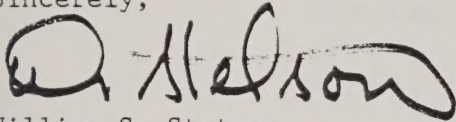
To date, on more than 5,000 units that we own and manage, we have received the approvals of the following agencies:

- The United States Department of Housing & Urban Development
- The Virginia Housing Development Authority
- The Pennsylvania Housing Finance Agency
- The New York State Division of Housing & Community Renewal
- The City of Springfield
- The Executive Office of Communities & Development

Ms. Kelly D. King
March 24, 1987
Page Two

As I indicated at the Board Meeting, our proposed change will reduce operating costs and enhance the long term viability of the development.

Sincerely,



William S. Stetson
Senior Vice President
Residential Properties

WSS:kmm

cc: L. Fortin
C. Speleotis, Rubin & Rudman

FACT SHEET

Blake Estates I and II
1344 Hyde Park Avenue

Owner: Blake Estates Associates, a Massachusetts
Limited Partnership

General Partners: Norman B. Leventhal
Edwin N. Sidman

Limited Partners: Alan M. Leventhal
Mark S. Leventhal
Robert J. Perriello
Lawrence D. Selkovits
Harvey Steinberg

Manager: William S. Stetson of Pemberton Management
Company

Financing Programs: Massachusetts Housing Finance Agency

U.S. Dept. of Housing and Urban Development -
under Section 8 of the U.S. Housing Act of
1937, as amended, for no less than 90% of the
units. Under the Section 8 Program, HUD pays
that amount of the fair market rent for an
apartment that exceeds 25% of the tenant's
income.

Date Approved: Blake Estates I was approved on December 28,
1978. Blake Estates II, which is an exten-
sion of Blake Estates I, was approved on
October 11, 1979.

Project
Description: Blake Estates I consists of a 2½ story
building of 175 units of housing for senior
citizens of the Hyde Park Community. All of
the units are one-bedroom units and nineteen
(19) are specially designed for occupancy by
physically handicapped persons.

Blake Estates II is interconnected with Blake
Estates I. It is also a 2½ story building
consisting of a total of 88 units, 79 one
bedroom units and 9 two bedroom units. An
elevator and interconnecting corridors
provide easy access to all points from within
the building. Blake Estates II also shares
the community facilities in Blake Estates I.

Change Requested: The Applicant has requested a change in the general partners of the limited partnership, substituting a Massachusetts corporation for the present general partners, Messrs. Leventhal and Sidman. The change would affect a reduction in the liability insurance from \$100,000,000 to \$5,000,000.

Benefits: No direct out-of-pocket rent savings to the residents will result from the reduction in the cost of liability insurance premiums. However, the reduction will reduce operating costs and thereby produce an operating savings of \$10 to \$15 per unit per month during 1987. Indirectly, the reduction will produce a rent savings to the tenants (perhaps nominal in the short-term) by generating additional money for maintenance and other services without increasing the rents. This is a positive effect, since the Section 8 annual adjustment factor for rent increases has declined dramatically over the last five to six years from 9.7% ± 3.5 - 5.6%. See the attached schedule of the annual adjustment factor as applied to the Blake Estates rents.

BLAKE ESTATES I & II
SECTION 8 RENT INCREASES

1981 THROUGH 1986

<u>YEAR</u>	<u>BLAKE ESTATES I</u> <u>1 BEDROOM</u>	<u>BLAKE ESTATES II</u>	
		<u>1 BEDROOM</u>	<u>2 BEDROOM</u>
1981	9.7%	9.3%	9.9%
1982	9.5%	8.1%	8.1%
1983	7.0%	5.2%	5.2%
1984	5.2%	4.7%	4.7%
1985	5.6%	4.6%	4.3%
1986	5.6%	4.1%	3.5%

